

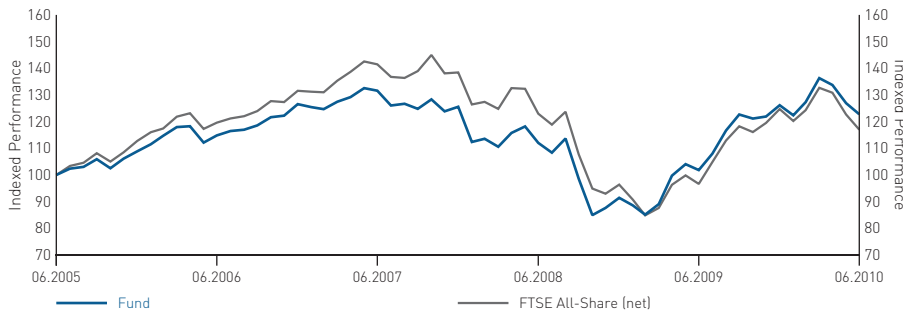
BlackRock UK Income Fund Performance to 30 June 2010

ISA Fund

Unit Trusts

BLACKROCK

Accumulation Unit Performance



Cumulative Performance	1 Month %	3 Months %	6 Months %	1 Year %	3 Years %	5 Years %	Year To Date %	Annualised (5 Years) %
A Class	-3.3	-9.9	-2.7	20.6	-6.7	22.8	-2.7	4.2
Sector	-2.9	-8.3	-3.4	19.3	-19.5	9.6	-3.4	1.8
Quartile Ranking	3	4	1	1	1	1	1	1

Annual performance to the last quarter end	30-06-05 to 30-06-06 %	30-06-06 to 30-06-07 %	30-06-07 to 30-06-08 %	30-06-08 to 30-06-09 %	30-06-09 to 30-06-10 %
A Class	14.8	14.6	-14.9	-9.1	20.6

The above table will only show performance for complete 12 month performance periods.

The latest performance data is available on our website – www.blackrock.co.uk. Performance is based on bid (selling) to bid prices, with net income reinvested. Quartile is the ranking achieved in the relevant Standard & Poor's sector, 1st quartile means ranked in the top 25% of funds in the sector, 2nd quartile is the next 25% of funds in the sector and so on.

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product. Investors in this Fund should also understand that capital growth is not a priority and values may fluctuate and the level of income may vary from time to time and is not guaranteed.

		Equity Fund
Stockmarket Capitalisation	Large	25-40 stocks
	Mid	
	Small	
Style		Yield Basis

Awards & Ratings

S&P Fund Management Rating	AA
OBSR	A

Summary of Investment Objective

To provide an above-average and growing income without sacrificing the benefits of long-term capital growth by investing primarily in the shares of companies incorporated or listed in the UK. The Fund may also invest in collective investment schemes.

Fund Data

Fund Manager	Nick McLeod-Clarke/ Adam Avigdori
Launch Date of Fund	16.03.1984
Launch Date of Class A	16.03.1984
Benchmark	FTSE All-Share (net)
IMA Sector	UK Equity Income
Total Fund Size (m)	£423.4
Yield (%)	4.1
Distribution Date	
Ex-Distribution Date	
Minimum Investment	£500 lump sum; £50 monthly

Codes

Sedol	0580494
ISIN	GB0005804942
Bloomberg Equity Ticker - Fund	MRCINCA LN
Bloomberg Equity Ticker - Benchmark	FTPTALL

Dealing & Prices

Dealing Information	
Trading Frequency	Daily, forward pricing basis
Settlement	Trade date + 4 days
Fees	
Initial Charge (A Units)	5 %
Annual Management Fee (A Units)	1.50 %
12 Months High/Low Offer	
Fund	968.20/683.60 (p)

10 Largest Holdings

	%
HSBC Holdings PLC	6.9
Vodafone Group	6.5
GlaxoSmithKline PLC	5.3
AstraZeneca Plc	5.1
Tullow Oil	4.2
Royal Dutch Shell (CL B)	4.0
BP	3.5
Admiral Group PLC	3.0
Centrica	2.9
UNITED BUSINESS MEDIA LTD	2.8
Total	44.2

Sources: Sector and Index - Morningstar. Performance prior to 30th November 2003 was measured on an offer to offer basis. The change from offer prices to bid prices was made following a reduction in several of the Fund's initial charges. Bid prices now provide a better measure of performance for the Fund. The fund data displayed is designed only to provide summary information. The number of shares quoted for each fund are indicative and actual numbers may fall outside of the ranges shown. Investment should be made on the basis of the relevant product booklet, together with the Prospectus and Simplified Prospectus which are available from the Managers. Issued by BlackRock Investment Management (UK) Limited (authorised and regulated by the Financial Services Authority). Registered office: 33 King William Street, London EC4R 9AS. Registered in England No. 2020394. For your protection, telephone calls are usually recorded. BlackRock is a trading name of BlackRock Investment Management (UK) Limited. The BlackRock name and logo are trade marks of, and used under licence from, BlackRock & Co., Inc.

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BlackRock UK Income Fund

continued

Fund Manager's Report as at 31 May 2010

The UK equity market hit new lows for the year in May. Here, the FTSE All Share index fell by 6.2%, as continuing concerns over high European government debt levels led investors to sell risk assets.

The BlackRock UK Income Fund returned -5.1%, outperforming the FTSE All Share Index by 1.1%. The largest contributor to the Fund's performance was private equity group 3i, which announced a reduction in net debt, after significant cost cutting, and a return to profit, after improving performance from many of its underlying portfolio companies.

Other gains came from oil explorers, such as Cairn Energy, which rose after it announced its plans to increase production in its Rajasthan field Mangala, and Tullow Oil, which outperformed as the market started to focus on its drilling campaign. Provident Financial has also seen a promising start to year, after it tightened lending criteria. Although demand for new credit remained weak, the company's careful attention to costs helped maintain margins.

On the negative side, Cookson Group fell as shareholders expressed discontent over directors' earnings. Despite good growth from emerging markets and Asia, United Business Media also detracted over recovery concerns in the US and UK following a period of strong performance.

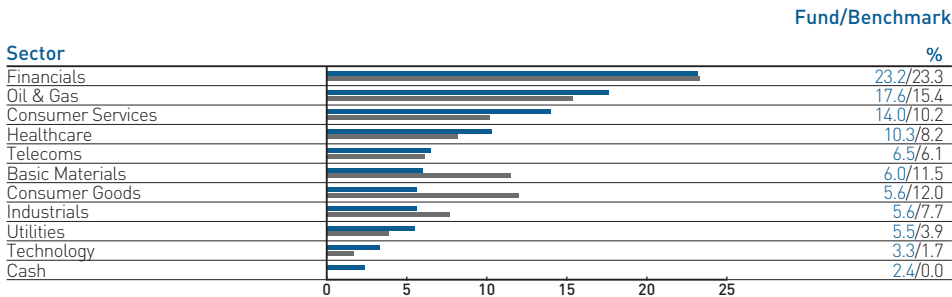
Over the period we continued to increase our exposure to cyclical companies, by adding to specialist engineer Spectris, materials technology provider Cookson, and chip manufacturer CSR. A further addition was made to Tullow Oil, as we remain very positive on the company's outlook. We reduced our holding in Lancashire, taking profits.

In the UK, the actions of the new coalition government are in the forefront of investors' minds, including concerns on tax, deficits and consumer spending. Global economic growth continues to strengthen and appears to be moving into a restocking phase. The Fund has been consistently positioned to benefit from growth and we anticipate maintaining this stance for the foreseeable future.

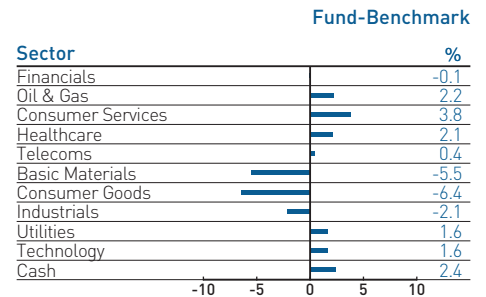
Fund Risk Statistics

	3 Years	5 Years	Since launch
Volatility (%)			
- Fund	19.6	15.9	15.5
- Benchmark*	19.4	16.0	16.1
Beta	0.97	0.95	0.91

Composition of Fund



Asset Allocations Analysis - Active Position



* The Benchmark under Fund risk statistics for the UK Income Fund is FTSE All-Share (net). ■